

RESOLUTION NO. 46-03

CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER C. Mark Kingseed ON
THE 15th DAY OF September, 2003.

A RESOLUTION DESIGNATING A PUBLIC DEPOSITORY AND AWARDING
PUBLIC MONIES.

WHEREAS, pursuant to Section 135.12 Ohio Revised Code, the Council of the City of Centerville, Ohio must meet in open session and designate a public depository, on the basis of written applications received, for deposit of inactive and/or active and/or interim funds for the period commencing October 1, 2003 and ending September 30, 2008.

WHEREAS, the Council of the City of Centerville, Ohio estimates the probable amount of public monies to be deposited in inactive deposits at the beginning of the period of designation to be up to Five Hundred Thousand Dollars (\$500,000.00), and the probable maximum amount to be so deposited at any one time during such period shall be up to Three Million Dollars (\$3,000,000.00).

WHEREAS, the Council of the City of Centerville, Ohio estimates the probable amount of public monies to be deposited in active deposits at the beginning of the period of designation to be up to Five Million Dollars (\$5,000,000.00), and the probable maximum amount to be so deposited at any one time during such period shall be up to Fifteen Million Dollars (\$15,000,000.00).

WHEREAS, the Council of the City of Centerville, Ohio estimates the probable amount of public monies to be deposited in interim deposits at the beginning of the period of designation to be up to Five Million Dollars (\$5,000,000.00), and the probable maximum amount to be so deposited at any one time during such period shall be up to Ten Million Dollars (\$10,000,000.00).

WHEREAS, written application has been received from The Community National Bank, as follows:

For Active Deposits

Maximum of Two Million Dollars (\$2,000,000)

For Interim Deposits

Maximum of Four Million Dollars (\$4,000,000)

For Inactive Deposits

Maximum of One Million Dollars (\$1,000,000)

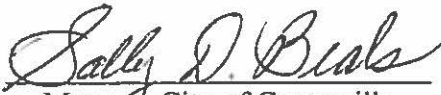
A copy of said application with a copy of the financial statement of said The Community National Bank attached hereto, incorporated herein by reference, and marked Exhibit "A", and

WHEREAS, Council finds that the said The Community National Bank applied for active, inactive, and interim deposits, and that the sureties and securities are proper, namely: Such collateral in the amount necessary to sufficiently cover the total deposits as enumerated in Section 135.181 O.R.C.

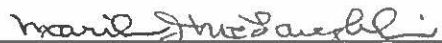
NOW THEREFORE, THE MUNICIPALITY OF CENTERVILLE HEREBY RESOLVES:

That deposit of active, inactive, and interim deposits of the City, up to the maximum amounts set forth herein, as determined by Council, be awarded to The Community National Bank, which bank shall become a depository for the monies of the City for a period of five years by written Memorandum of Agreement to be executed by the City with said depository.

PASSED this 15th day of September, 2003.


Mayor - City of Centerville

ATTEST:


Clerk of the Council of the
City of Centerville, Ohio

CERTIFICATE

The undersigned, Clerk of Council of the City of Centerville, Ohio, hereby certifies the foregoing to be a true and correct copy of Resolution No. 46-03, passed by the Council of the City of Centerville, Ohio, on the 15th day of September, 2003.


Clerk of Council

Approved as to form, consistency
with existing ordinances, the charter
and constitutional provisions.

Department of Law
Robert N. Farquhar
Municipal Attorney

MEMORANDUM OF AGREEMENT FOR DEPOSIT OF PUBLIC FUNDS

WHEREAS, THE COMMUNITY NATIONAL BANK a financial institution
(full corporate name of financial institution)
 corporation under the laws of the UNITED STATES located and doing business
(United States or, Ohio)
 within WARREN County, Ohio, is hereinafter referred
 to as the "Financial Institution", having capital funds as defined by Section 135.01 (C) of the Revised Code of
ELEVEN MILLION THREE HUNDRED FIFTEEN THOUSAND Dollars (\$ 11,315,000)
ONE HUNDRED NINETEEN MILLION FOUR
 and thirty percent (30%) total assets of HUNDRED SIXTY-EIGHT THOUSAND Dollars
 (\$ 119,468,000) as shown in the financial statement attached to the application or applications of
 the Financial Institution, has in writing proposed to the CITY OF CENTERVILLE
(political subdivision)
 that for the full term beginning OCTOBER 1, 2003 and ending SEPTEMBER 30, 2008
 both inclusive, it will accept for deposit and safekeeping the maximum sum of _____
SEVEN MILLION Dollars (\$ 7,000,000)
 or any part thereof of the active deposits of the CITY OF CENTERVILLE
(political subdivision)
 and it will accept for deposit and safekeeping the maximum sum of ONE MILLION
 _____ Dollars (\$ 1,000,000) of the inactive deposits of
 the said subdivision as active, interim, and inactive deposits, as defined in Section 135.01 of
 the Revised Code;

WHEREAS, said Financial Institution has also, in the written proposal, and pursuant to the Uniform
 Depository Act of Ohio, offered to pledge and deposit with the Treasurer of the subdivision or designated
 Trustee as security for the repayment of all public moneys to be deposited in the Financial Institutions
 by said CITY OF CENTERVILLE
(political subdivision)
 security of the kind specified in Section 135.18, and any other sections of the Revised Code of Ohio specifying
 eligible security, in a sum equal to the minimum amount of security required by Section 135.18, or surety
 company bond or bonds in a sum required by said Uniform Depository Act; and

WHEREAS, the said CITY OF CENTERVILLE
(political subdivision)
 has accepted
 the proposal of said Financial Institution, either as to the whole or part of the amount of deposit proposed for,
 and has selected said Financial Institution as one of its depositories for and during the period or periods of
 time as follows for the sum herein set forth:

TWO MILLION Dollars (\$ 2,000,000)
 for the period beginning OCTOBER 1, 2003
 and ending SEPTEMBER 30, 2008 as active deposits; and
FOUR MILLION Dollars (\$ 4,000,000) *JK*
 for the period beginning OCTOBER 1, 2003
 and ending SEPTEMBER 30, 2008 as inactive deposits; and
ONE MILLION Dollars (\$ 1,000,000) *JK*
 for the period beginning OCTOBER 1, 2003
 and ending SEPTEMBER 30, 2008 as interim deposits
 both dates inclusive; and awarded to it, as such depository, a deposit or deposits of money at the rate of
 interest for such inactive deposits set forth in its applications for the deposit of public moneys; the total of
 which active, and interim deposits awarded totals SEVEN MILLION
 _____ Dollars (\$ 7,000,000), a total which does not
 exceed the limit set by Section 135.03, of the Revised Code, thirty percent of the total assets of the
 Financial Institution;

NOW, therefore, in consideration of said acceptance and award on the part of said _____

CITY OF CENTERVILLE
(political subdivision) and in consideration of the deposit
and use, as aforesaid, of said moneys of said CITY OF CENTERVILLE
(political subdivision)

said Financial Institution now hereby agrees to receive from said CITY OF CENTERVILLE
(political subdivision) the sum of SEVEN MILLION Dollars

(\$ 7,000,000) of the moneys of said CITY OF CENTERVILLE
(political subdivision) coming into the hands of the Treasurer of said CITY OF CENTERVILLE
(political subdivision)

as such Treasurer, in an account or accounts known as the Inactive Deposit Account or Accounts, which deposits shall be made pursuant to the provisions of Section 19 of the Federal Reserve Act and Section 3 of its Regulation Q, together with the amendments by the Board of Governors of the Federal Reserve System, as to notice, etc.

Said Financial Institution further agrees that to secure the performance of its obligations hereunder and under said proposal and the observance of all requirements of law applying to such deposits, depositories, contracts, and bonds, it will forthwith pledge to and deposit with the Treasurer or designated Trustee to said CITY OF CENTERVILLE
(political subdivision)

for the benefit of said CITY OF CENTERVILLE
(political subdivision) and to its satisfaction,

and to the satisfaction of the legal adviser of CITY OF CENTERVILLE
(political subdivision)

as to form, eligible securities of aggregate market value equal to the excess of the amount of public moneys to be at the time insured by the Federal Deposit Insurance Corporation, or by any agency or instrumentality of the federal government, under the provisions of Section 135.18 of the Revised Code; or a surety company bond or bonds in the sum required by Section 135.18, Revised Code. The said Financial Institution will offer the following security to secure said award.

Type of securities deposited or security offered:

_____ Amount _____

a. Eligible securities or other obligations of the kind permitted to be deposited under the provisions of the Uniform Depository Act:

Itemize	Market Value
<u>SECURITIES LISTED IN SECTION 135.18 OF THE REVISED CODE</u>	\$ <u>7,000,000</u>
<u>STANDRY LETTER OF CREDIT FHLB OF CINCINNATI</u>	\$ <u>7,000,000</u>

b. Surety company bond or bonds in the sum required by Section 135.18; Revised Code:

Itemize	Market Value
<u>THE ST. PAUL SURETY, ST. PAUL INSURANCE CO.</u>	\$ <u>7,000,000</u>
_____	\$ _____

Said Financial Institution further covenants and agrees that any or all of the money awarded to or deposited with it as active funds, may at any time be drawn against by check of CITY OF
(political subdivision) CENTERVILLE executed by such authorized person(s) and according to such procedure as said

CITY OF CENTERVILLE
(political subdivision) may designate and prescribe; such interim deposits shall be evidenced by certificates of deposit, each of which shall mature not later than the end of the period of designation, and may provide on its face that the amount of such deposit is payable upon written notice to be given a specified period before the date of repayment.

Said Financial Institution also agrees to file with the Treasurer of CITY OF
(political subdivision) CENTERVILLE on the last business day of each month during any time that a part of the award is on deposit a statement showing the balance of such active, and inactive moneys in its posses-

sion, and CITY OF CENTERVILLE in consideration of the agreements of
(political subdivision)
said Financial Institution, heretofore set forth, agrees that for and during the period of time beginning
OCTOBER 1, 2003 and ending SEPTEMBER 30, 2008,
both inclusive, it will and does designate said Financial Institution as a depository of money belonging to it in
the amounts set forth above and that it will, during said term, allow the same Financial Institution the full
use, for its lawful and proper purposes of the daily balances, of deposits of the moneys coming into the hands

of the Treasurer of CITY OF CENTERVILLE
(political subdivision)
as such Treasurer, in the Treasurer's Account in said Financial Institution, as aforesaid; all pursuant and
subject to the Uniform Depository Act of Ohio, herein referred to, and all amendments or supplements thereto,
and to the terms of the Financial Institution's proposal, and all within the limits and under and subject to the
terms conditions and stipulations in this agreement set forth. The securities deposited, and the surety bond, or
both, shall be and are surety and bond for the compliance by the Financial Institution with each and all of the
provisions, terms, limitations, conditions and stipulations hereinbefore mentioned, and for the performance
hereof by the Financial Institution. It is further agreed that this contract shall become null and void whenever
by amendment or amendments of any state or federal law or the amendment or adoption of any valid
regulations, thereunder, of the United States are changed or amended, the terms of the designation, lawful at
the beginning of any period of designation, cause to be unlawful, during such period and if such period and if
such change of law or regulation requires, the period of designation shall be limited so as not to extend beyond
the date when such change becomes effective.

IN WITNESS WHEREOF, the parties have hereunto set their hands by their duly authorized officers,
this 2ND day of SEPTEMBER, 2003
YEAR

THE COMMUNITY NATIONAL BANK
(Full Name of Financial Institution)
By Paul J. Scheuermann
PAUL J. SCHEUERMANN, PRESIDENT Title of Office Held
By Brenda G. Harrison
BRENDA G. HARRISON, ASST. VICE PRES./CASHIER Title of Office Held
CITY OF CENTERVILLE
(Name of Political Subdivision)

By _____
Name Title of Office Held
By _____
Name Title of Office Held
By _____
Name Title of Office Held